

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)
)
Implementation of the Subscriber Carrier)
Selection Changes Provision of the)
Telecommunications Act of 1996)
)
Policies and Rules Concerning)
Unauthorized Changes of Consumers') DOCKET FILE COPY ORIGINAL
Long Distance Carriers)

CC Docket No. 94-129

REPLY COMMENTS OF
EXCEL TELECOMMUNICATIONS, INC.

Excel Telecommunications, Inc. ("Excel") respectfully submits these Reply Comments on the Further Notice of Proposed Rulemaking in the above-referenced proceeding¹ pursuant to the Federal Communications Commission's ("Commission") Public Notice released March 25, 1999.

I. INTRODUCTION AND SUMMARY

Excel takes this opportunity to reply to comments filed addressing in particular one issue raised by the Commission in the *Further Rulemaking*. Excel respectfully urges the Commission to adopt rules which allow consumers to submit orders for telecommunications services and/or to

¹ *In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of the Telecommunications Act of 1996, Policies and Rules Concerning Unauthorized Changes of Consumers' Long Distance Carriers*, Second Report and Order and Further Notice of Proposed Rulemaking, CC Docket No. 94-129 (rel. Dec. 23, 1998) ("*Report and Order*" or "*FNPRM*").

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implement or lift preferred carrier ("PC") freezes via the Internet without need for additional "off-line" verification.²

II. COMMENTS

Carrier Changes and PC Freezes Using the Internet

As Excel observed in its initial comments, use of the Internet for submission of carrier change orders and consumer requests to implement and/or lift PC freezes is the most important matter being considered by the Commission in this Further Rulemaking. Excel stresses the point it made in its initial comments, and those mirrored by other commenters: The Internet clearly holds the future of commerce. Crippling carriers' ability to obtain valid orders for telecommunications service via the Internet works only to the detriment of consumers and carriers, and stifles the continued growth of competition, without substantially bolstering protections against slamming.

Excel considers it quite telling that the majority of commenters, representing a wide variety of interests in the industry, urged the Commission to fashion rules which allow Internet-generated orders for telecommunication services and/or PC freezes to be verified without resorting to traditional off-line verification methods, such as an "inked" signature or third party verification.³ Excel notes that the concerns of the few commenters who asserted that Internet orders need be verified off-line can be addressed by carefully crafted rules. The Commission should work to foster this ever-growing communications medium to allow consumers and carriers to take advantage of the

² Excel also urges the Commission to embrace and foster the proposals put forth by AT&T and MCI for the development of a neutral third party ("NTP") administrator for carrier change and freeze functions.

³ See, e.g., Comments of Tel-Save.Com, Inc., CoreComm, Ltd., Qwest, CompTel/ACTA, Cable & Wireless, the Florida Public Service Commission, Ameritech, RCN Telecom Services, and the Telecommunications Resellers Association.

extraordinary possibilities that the Internet offers, in terms of convenience, efficiency, and ever-expanding availability, to mention but a few benefits.

Excel fully supports the vast majority of carriers that urge the Commission to permit the Internet to be used more extensively by the industry.⁴ As numerous commenters noted, the Internet continues to thrive due, in large part, to the fact that it has remained unregulated.⁵ The current uncertainty injected into the industry in light of the Commission's current policy is stifling the development of Internet-based marketing and ordering. Excel supports, and urges the Commission to adopt, the position that in implementing carrier changes and/or initiating or lifting PC freezes via the Internet, either a digital signature should suffice, or verification information should be collected, thus allowing for the order to be completed by the consumer entirely on-line, in a single transaction.

Certain commenters, however, urge the Commission to unnecessarily complicate and burden verification of consumers' carrier changes and PC freeze requests by means which would negate many of the advantages which the Internet provides. Excel respectfully submits that the concerns of those commenters opposing use of the Internet for submission of orders focus on the perceived difficulty in identifying the person requesting the change.⁶ Excel urges the Commission to reject these arguments because they can be addressed by means less drastic than disallowing consumers to submit valid orders via the Internet. As many parties demonstrated, carrier changes and PC freeze requests via the Internet are no less reliable, nor more subject to abuse, than those submitted by

⁴ See, e.g., Cable and Wireless Comments, at 2-5; CompTel/ACTA Comments, at 3-6, CoreComm Comments, at 2-3; TRA Comments, at 24.

⁵ See, e.g., Qwest Comments, at 16; MCI WorldCom Comments, at 23; Tel-Save Comments, at 7.

⁶ See, e.g., Bell Atlantic Comments, at 6.

telephone or written LOAs.⁷ Unfortunately, an unscrupulous carrier will find a way violate whatever rules are ultimately adopted, regarding written LOAs, telemarketing-generated orders and Internet orders; the answer for those carriers must be swift and severe enforcement actions. Requiring some form of off-line verification for Internet LOAs would defeat entirely the convenience of the Internet to consumers and carriers.

As discussed by many commenters, the concerns regarding the identity of the person submitting the order via the Internet could easily and adequately be addressed by requiring orders for service and/or PC freezes to include certain personal information, such as a social security number, birth date or a valid credit card account to ensure that only the subscriber may change his or her own carrier.⁸ As recommended by Excel and other commenters⁹, the personal information provided by the consumer would be known only by the consumer. This is identical to the information that is gathered in third party verification for orders generated by telemarketing; there is no reason to differentiate between circumstances in which the information is submitted via the Internet rather than by telephone.¹⁰

⁷ Ameritech Comments, at 16; Tel-Save Comments, at 13-16; CoreComm Comments, at 4.

⁸ Excel Comments, at 4; CoreComm Comments, at 4; TRA Comments, at 24-25.

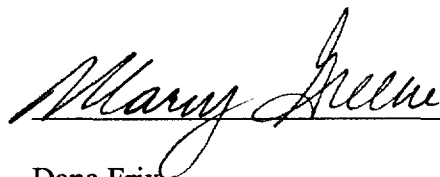
⁹ See, e.g., Comments of the Florida Public Service Commission, the Missouri Public Service Commission, Excel, Ameritech, US WEST Communications, Inc., and RCN Telecom Services, Inc.

¹⁰ The Florida Public Service Commission ("PSC") proposes that carrier change information sent via the Internet be encrypted. Excel respectfully opposes adopting such a requirement based on the present status of encryption protocol – encryption is not standardized or generally utilized by many consumers. Any attempt at standardization by the Commission may be expensive and difficult to implement, and may not reflect the realities of the developing marketplace. Importantly, encryption is not necessary to protect the integrity of the personal information being transmitted: if the information is tampered with, it will not be accurate and no unauthorized change to a consumer's telephone service will occur. Excel reiterates its proposal that each carrier provide a description of the kind of security, if any, in use in accepting carrier change requests, so that subscribers may determine for themselves whether they want to send their

III. CONCLUSION

Excel strongly supports the Commission's stated purpose in this proceeding to protect consumers and consumer choice. (*Report and Order*, ¶ 16). However, the Commission would do a disservice to consumers and carriers if it fashioned rules which crippled the ability of consumers to change carriers and/or implement or lift PC freezes via the Internet. In particular, consumers should be able to complete such transactions entirely on-line, assuming the adoption of simple protective mechanisms, such as those discussed in many parties' initial comments and these reply comments. Applying traditional verification methods, which disallow carrier selections and/or PC freezes being ordered in a single on-line transaction, will reduce the benefits offered by the Internet, and will result in fewer consumer choices being effectuated.

Respectfully submitted,



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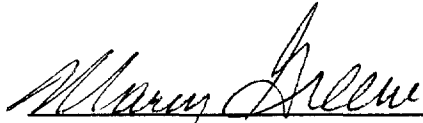
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information via the Internet based on that disclosure.

CERTIFICATE OF SERVICE

I, Marcy A. Greene, hereby certify that on this 3rd day of May, 1999, a copy of the foregoing Reply Comments of Excel Telecommunications, Inc. was served on the parties on the attached list via first-class mail, postage pre-paid.



Marcy A. Greene

Abstract

Bar chart showing the number of people who visited the museum each day from Monday to Sunday.

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Abstract

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